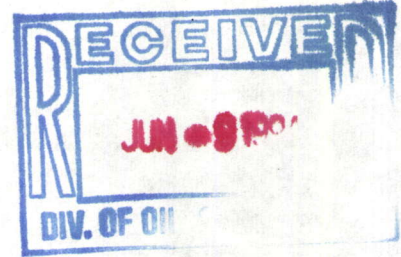


1. 1047/013

ROBERT E. COVINGTON
CERTIFIED PROFESSIONAL GEOLOGIST NO.1705
P.O.BOX 1845
VERNAL, UTAH 84078



D. Wayne Hedberg
Permit Supervisor
State of Utah
Department of Natural Resources
3 Triad Center Suite 350
355 West North Temple
Salt Lake City, UT 84018-1203

Re: M/047/013
Proposed Amendments to Mining Plan
U.S.Gilsonite Lease U-0122693
Sec.24,T8S-R24E, Uintah Co., Utah

Dear Mr. Hedberg:

We herewith enclose for your review and evaluation a copy of our request for modification (Amendment) to our Mining Plan which was approved by your office on 2-2-94.

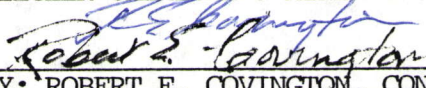
We herewith request the approval of your office for the two modifications herein submitted.

If we can be of further assistance, please do not hesitate to call or write.

We look forward to receiving your approval at your earliest convenience.

Very truly yours,

ZIEGLER CHEMICAL & MINERAL CORP


BY: ROBERT E. COVINGTON, CONSULTANT

cc: Allan Vance, BLM, SLC, UT
BLM, Vernal, UT
Gordon Ziegler, Jr.
Norman Haslem

M/047/013

ROBERT E. COVINGTON
CERTIFIED PROFESSIONAL GEOLOGIST
NO. 1705
P.O. BOX 1845
VERNAL, UTAH 84078

June 7, 1994



Allen Vance
Bureau of Land Management
P.O. Box 45155
Salt Lake City, Utah 84145-0155

Re: Proposed Amendments (Modifications) to Mining Plan
Cowboy-Bandana Gilsonite Mine
Section 34, T8S-R24E, Uinta Co., Utah

Dear Allen:

At the request of Norman Haslem, Mine Supervisor, Ziegler Chemical & Mineral Corporation, Little Bonanza, Utah, we enclose herewith our request for three (3) amendments to our mining plan.

It is my understanding that you have been out to the new mine and that Mr. Haslem has discussed these proposed modifications with you.

It is our hope that this request meets the needs of your office for approval. If you have any comments, suggestions or if you would like to discuss these minor changes, I will be happy to hear from you.

Thank you for your help in this undertaking. We do appreciate the work to which you people are committed.

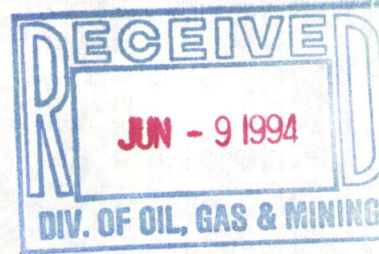
We hope that we may be able to receive your approval as soon as possible.

Very truly yours,

ROBERT E. COVINGTON, CONSULTANT FOR
ZIEGLER CHEMICAL & MINERAL CORPORATION

CC: BLM, Vernal office
State of Utah, Dept. of Natural Resources
Gordon Ziegler, Jr.
Norman Haslem
files.

M/047/013



REQUEST FOR MODIFICATION OF MINING PLAN
FOR ZIEGLER CHEMICAL & MINERAL CORPORATION
FEDERAL GILSONITE LEASE U-0122693
SECTION 34, TOWNSHIP 8 SOUTH - RANGE 24 EAST
UINTAH COUNTY, UTAH

SUBMITTED BY
ROBERT E. COVINGTON
CERTIFIED PROFESSIONAL GEOLOGIST NO. 1705

REPORT FOR:

ZIEGLER CHEMICAL & MINERAL CORP

JUNE 7, 1994

REQUEST FOR MODIFICATION OF MINING PLAN
FOR ZIEGLER CHEMICAL & MINERAL CORPORATION
FEDERAL GILSONITE LEASE U-0122683
SECTION 34 TOWNSHIP 8 SOUTH - RANGE 24 EAST,
UINTAH COUNTY, UTAH

Conditional approval of the Ziegler Chemical & Mineral Corp. proposed mining plan for U.S. Gilsonite Lease U-0122693 was received on February 2, 1994. Mining has been underway on the Cowboy-Bandana vein since that time. All conditions and regulations of the State of Utah and of the Bureau of Land Management pursuant to the proposed mining plan have been very strictly complied with.

Operator herewith requests the following 3 modifications to that approved plan, as follows:

(1) NARRATIVE OUTLINE OF PROPOSED MINING PLAN:

Page 3, PARAGRAPH 2

(1) Requested modification of floor thickness:

Mine plan proposed a 20' horizontal (floor) pillar. Ziegler Chemical & Mineral Corp requests that this thickness of floor be modified to a 10' thickness. The utilization of a floor thickness of 20' is excessive and will result in considerable ore being left unmined, which would be economically unacceptable.

Operator requests that the mine plan be modified to allow for a 10' floor thickness.

Modification of Mine Plan
U.S. Gilsonite Lease U-0122693
Ziegler Chemical & Mineral Corp.
Page Two

(2) REQUESTED MODIFICATION OF "ADDENDUM TO MINE PLAN":
(PAGE 14, PARAGRAPH 1, LINE 7)

Ziegler Chemical & Mineral Corp. hereby requests a modification of the Mine Plan as outlined below:

The above cited reference states that a 25 foot vertical gilsonite pillar will be left extending from 25' from the south line of the lease to the lease line of gilsonite. Lease U-0122693,

Ziegler Chemical & Mineral Corp. is the owner of the patented land adjoining the lease. As owner and Operator, they have sunk a shaft on this private land. The shaft is located 100' from the lease line in a southeasterly direction. No gilsonite was mined northwest of the shaft.

Ziegler intends to mine this block of ore and hereby requests that the submitted and approved Mine Plan be modified to allow Ziegler to mine on U-0122693 right to the lease line instead of leaving the 25' barrier. This will improve the underground operation conditions and will permit the more efficient recovery of ore. It will also add to the recoverable ore reserves for a greater economic yield both to the Operator and to the United States.

The shaft on the Ziegler patented land is located in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 4, Township 9 South - Range 24 East. The footage is described as 1530' from the East Line and 45' from the North line of Section 4.

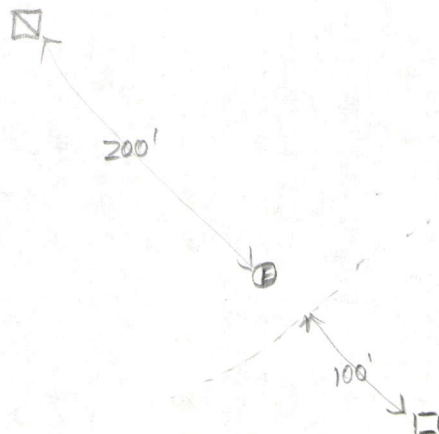
Amendment (Modification to Mine Plan
U.S.Gilsonite Lease U-0122693
Ziegler Chemical & Mineral Corporation
Page Three

NARATIVE OUTLINE OF PROPOSED MINING PLAN
PAGE THREE, PARAGRAPH TWO:

Ziegler Chemical & Mineral Corporation herewith requests the following:

The above referenced report states "An escapeway will be dug at a distance of 500 feet on either side of the mine shafts".

Ziegler requests that the Mining Plan be amended to allow, on the initial shaft only, an escapeway to be dug at a distance of 200 feet southeast of the first (initial) shaft. This escapeway will permit early mining of needed ore and will also serve as an escapeway when mining begins on the shaft which is located 100 feet southeast of the U-0122693 lease line on Ziegler's patented property. This shaft would be dug in lieu of the 500 foot shaft on the southeast, as described above. No additional surface disturbance is contemplated from this amendment.



Modification of Mine Plan
U.S. Gilsonite Lease U-0122693
Ziegler Chemical & Mineral Corp.
Page Four

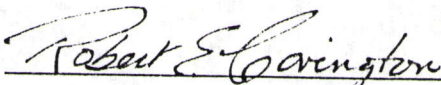
CONCLUSION:

The approval of the 3 requested modifications will not result in any additional surface disturbance.

The approval of the 3 modifications will result in more recoverable ore from the operations in a more efficient manner, thus benefitting the Operator and the government.

Lessee and Operator of Gilsonite Lease U-0122693 respectfully requests the approval of these 3 modifications as soon as possible so that present mining operations will not be disrupted.

ZIEGLER CHEMICAL & MINERAL CORPORATION



ROBERT E. COVINGTON, CONSULTANT

CERTIFIED PROFESSIONAL GEOLOGIST NO. 1705



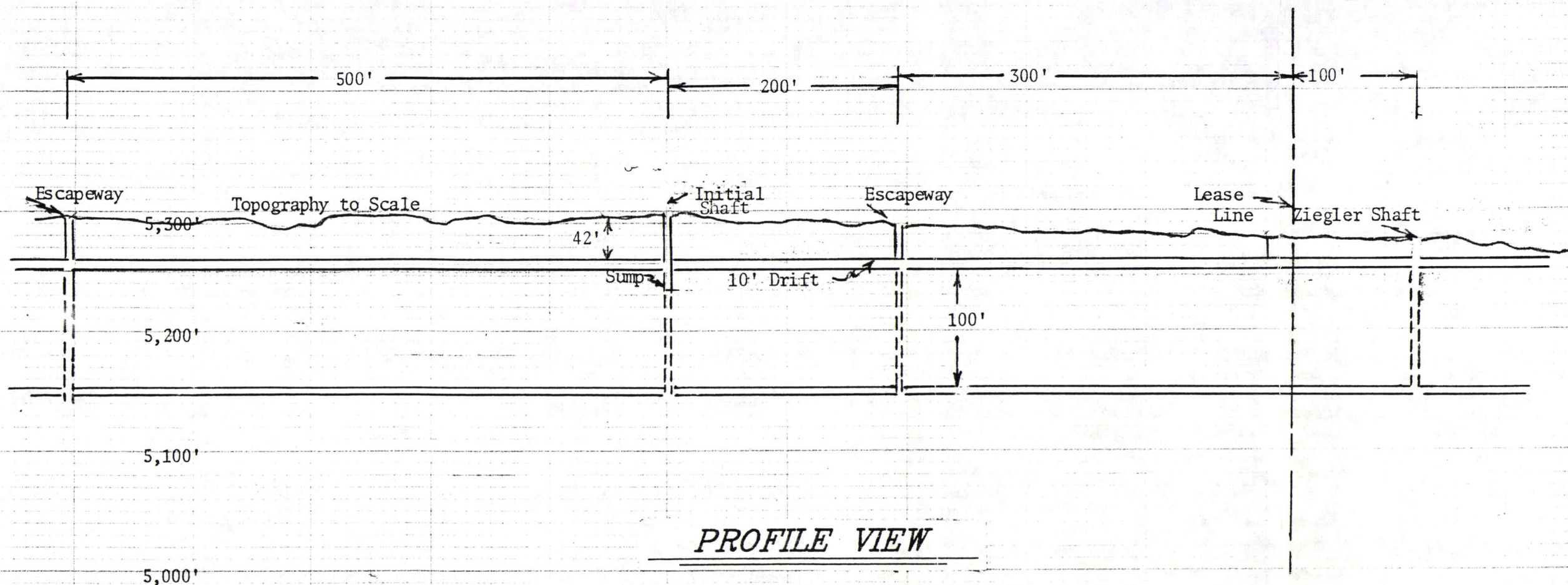
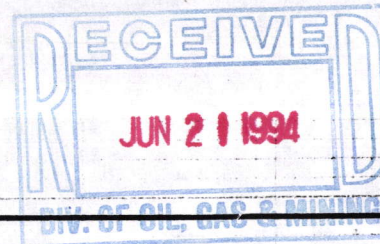
cc: BLM, VERNAL, UTAH

BLM, SALT LAKE CITY

STATE OF UTAH DEPT. OF NATURAL RESOURCES

NORMAN HASLEM, LITTLE BONANZA, UTAH

GORDON ZIEGLER, JR.



PROFILE VIEW

HORIZONTAL & VERTICAL SCALE IS 1" = 100'

COWBOY GILSONITE VEIN

LOCATED IN
SECTION 33, T8S, R24E, S.L.B.&M.
UINTAH COUNTY, UTAH

MAP TO ACCOMPANY
3 AMENDMENTS TO MINING PLAN
6-18-94
ROBERT E. COVINGTON

ZEIGLER CHEMICAL & MINERAL CORP.

M/047/013